GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3135
ANSWERED ON:10.08.2001
WORLD BANK LOAN
RAJO SINGH

Will the Minister of FINANCE be pleased to state:

(a) the total World Bank loan outstanding `against India as on date alongwith the interest payable thereon;

(b) the time period within which the said loan is to be repaid including interest thereon;

(c) the scheme-wise, details of total loan amount utilized in various anti-poverty schemes during the last three years alongwith the results thereof;

(d) whether the funds meant particularly for poverty alleviation schemes have been diverted or misused; and

(e) if so, the details thereof alongwith the reasons therefor ?

Answer

Minister of State in the Ministry of Finance (SHRI BALASAHEB VIKHE PATIL)

(a) The outstanding debt to the World Bank as on 31.3.2001 was Rs. 114021.30 crore. The interest payable depends on the movement of London Inter-Bank Offer Rate (LIBOR) from time to time. Based on past trends, Budget Estimates for 2001-2002 are Rs. 2162.13 crore towards payment of interest to the World Bank.

(b)Credits from International Development Association are repayable over a period of 50/35 years (depending upon the year of credit) including 10 years grace period while loans from International Bank for Reconstruction and Developmentare repayable over a period of 20 years with a grace period of 5 years.

(c) Poverty alleviation is one of the primary objectives of all World Bank assistance to India. In the last one year, however, three specific projects which seek to directly attack poverty have been taken up. These are the District Poverty Initiatives Projects in the States of Andhra Pradesh, Rajasthan and Madhya Pradesh.These projects seek to improve opportunities for the rural poor to meet priority social and economic needs through community driven participatory approaches and demand based investment decisions. The total assistance for these projects amounts to USD 321.6 million (equivalent to approx. Rs. 1500 crores).Since these projects have started recently, it is too early to evaluate them for results.

(d) No such instance has come to notice.

(e) Does not arise.